Nanette S. Edwards, Executive Director



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Office of Regulatory Staff 1401 Main Street Suite 900 Columbia, SC 29201 (803) 737-0800 ORS.SC.GOV

January 28, 2020

VIA ELECTRONIC FILING

Jocelyn G. Boyd, Esquire Chief Clerk & Administrator Public Service Commission of South Carolina 101 Executive Center Drive, Suite 100 Columbia, South Carolina 29210

RE:

Dominion Energy South Carolina, Inc. Request for Approval of Retail Power

Sales Agreement with Shaw Industries Group, Inc.

Docket No. 2018-248-E

Dear Ms. Boyd:

By this letter, the South Carolina Office of Regulatory Staff ("ORS") hereby notifies the Public Service Commission of South Carolina ("Commission") that ORS has reviewed the filing submitted by Dominion Energy South Carolina, Inc. ("DESC" or "Company") for approval of the Retail Power Sales Agreement ("Agreement) with Shaw Industries Group, Inc. ("Shaw").

Overview of Company's Request

Shaw and DESC (formerly South Carolina & Gas Company) previously entered into a contract for electric service ("Contract") for Shaw's plant located at 4401 Saint Andrews Road in Columbia, SC, at which Shaw owns and operates a cogeneration facility ("Generator"). The Contract provided for firm standby service but provided the option for Shaw to change to non-firm standby service during the initial term of the contract. Shaw intends to use the Generator to be its primary supplier of electric energy at its Columbia location. However, Shaw lacks sufficient capacity to meet all of its electric needs under all conditions. Therefore, under the Agreement, DESC will act as a secondary backup supplier of energy.

DESC will supply firm unscheduled electric power and energy for any shortfall under Rate 23 ("Supplemental Power") and will sell electric power and energy in excess of Supplemental Power on an interruptible and unscheduled "economy" basis. When the Generator is unavailable, DESC will sell Shaw electric power and energy in excess of Supplemental Power up to the Generator's rated nameplate capacity on an interruptible and unscheduled "standby" basis and will sell electric power and energy in excess of Supplemental Power on a firm and scheduled

Letter – Jocelyn G. Boyd, Esquire Page 2 of 2 January 28, 2020

"maintenance" basis. The Agreement has an effective date of January 1, 2020 and continues for ten years unless terminated sooner in accordance with any applicable provisions of the Agreement.

ORS Recommendation

Based on our review of the information provided, ORS supports the Company's Agreement with Shaw. In addition, ORS has no objection to the request for confidential treatment of certain provisions in the Agreement.

Please do not hesitate to contact me should you have any questions.

Sincerely,

leffrey M. Nelson

cc: All Parties of Record (via e-mail)

Joseph Melchers, Esquire (via e-mail)